Editing Legend

underlining: add text *~~overstrike~~: delete text*

red text: approved by MHFRC on July 27

Rulebook

PRICE: $1~~0~~2.00

Published by the
Certificate of Need Program

On behalf of the
Missouri Health Facilities Review Committee
Draft Version for February 2, 2009, Meeting Review

preparation date: August 14, 2009

Table of Contents

If there is a discrepancy between this document and the CON Statute, this document is subordinated and the Statute takes precedence.

Preface

What is the CON Rulebook intended to do?

- *The Missouri CON Rulebook* is a reference guide which includes the Certificate of Need (CON) Statute, CON Rules, calendars, and listings of the members of the Missouri Health Facilities Review Committee (Committee) and Certificate of Need Program (CONP) staff.

- The Rulebook is a "recipe book" for the construction of a Letter of Intent (LOI) and a CON application package. It includes the informational requirements, the outline format, the Community Need Criteria and Standards, and the CON forms.

Have statutory changes modified the review process?

- The 2009 legislative session ended with no CON legislation being passed.

When should questions be asked?

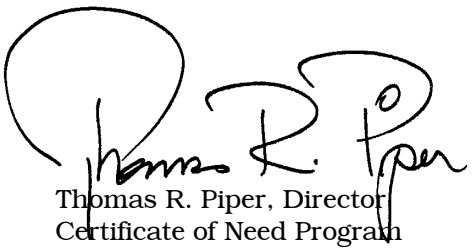
- Before a LOI is submitted.
- During a pre-application conference.
- During the review cycle.

What are the Certificate of Need Foundations?

- **MISSION:** To achieve the highest level of health for Missourians through cost containment, reasonable access, and public accountability

- **GOALS:**
  - Review proposed health care services;
  - Contain health costs;
  - Promote economic value;
  - Evaluate competing interests;
  - Prevent unnecessary duplications; and
  - Disseminate health-related information to affected parties.

We encourage you to contact the CONP staff early in your planning process so we can answer any questions you may have about the review process or provide technical assistance. We trust that this revised Rulebook will be easier to read and understand, and will help you as you develop your LOI and CON application packages.



Special Note: the CON website has changed to:
www.dhss.mo.gov/con

Thomas R. Piper, Director
Certificate of Need Program

CON Rules

19 CSR 60-50.200 Purpose and Structure

(1) The Certificate of Need (CON) statute, sections 197.300–197.366, RSMo became effective September 28, 1979, except those sections which were not effective until October 1, 1980 or later. CON had its origin in the federal Public Law 93-641, 1974, and was initially intended to address issues of need, cost, and distribution of health services, as well as other factors which impact the health of the population.

(2) The purpose of the CON statute is to achieve the highest level of health for Missourians through cost containment, reasonable access, and public accountability. The goals are to:

(A) Review proposed health care services;
(B) Contain health costs;
(C) Promote economic value;
(D) ~~Negotiate~~ Evaluate competing interests;
(E) Prevent unnecessary duplication; and
(F) Disseminate health-related information to ~~interested and~~ affected parties.

(3) The CON statute is administered by the nine (9)-member Missouri Health Facilities Review Committee (committee). Five (5) members are appointed by the governor, two (2) by the president pro tem of the senate, and two (2) by the speaker of the house, each serving two (2)-year terms or until replaced.

(4) On behalf of the committee, the CON Program provides technical and administrative services as shown in rule 19 CSR 60-50.900.

19 CSR 60-50.300 Definitions for the Certificate of Need Process

(1) **Applicant** means all owner(s) and operator(s) of any new institutional health service.

(2) **By or on behalf of a health care facility** includes any expenditures made by the facility itself as well as capital expenditures made by other persons that assist the facility in offering services to its patients/residents.

(3) **Cost** means—

(A) Price paid or to be paid by the applicant for a new institutional health service to acquire, purchase or develop a health care facility or major medical equipment; or

(B) Fair market value of the health care facility or major medical equipment as determined by the current selling price at the date of the application as quoted by builders or architects for similar facilities or normal suppliers of the requested equipment.

(4) **Construction of a new hospital** means the establishment of a newly-licensed facility at a specific location under the Hospital Licensing Law, section 197.020.2, RSMo, as the result of building, renovation, modernization, and/or conversion of any structure not licensed as a hospital.

(5) **Expedited application** means a shorter than full application and review period as defined in 19 CSR 60-50.420 and 19 CSR 60-50.430 for any long-term care expansion or replacement as defined in section 197.318.8-10, long-term care renovation and modernization, or the replacement of any major medical equipment as defined in section (11) of this rule which holds a Certificate of Need (CON) previously granted by the Missouri Health Facilities Review Committee (committee). Applications for replacement of major medical equipment not previously approved by the committee should apply for a full review.

(6) **Full review** means the complete analytical period for applications as described in 19 CSR 60-

50.420 and 19 CSR 60-50.430 for the development of health care facilities and acquisition of major medical equipment.

(7) **Generally accepted accounting principles** pertaining to capital expenditures include, but are not limited to—

(A) Expenditures related to acquisition or construction of capital assets;

(B) Capital assets are investments in property, plant and equipment used for the production of other goods and services approved by the committee; and

(C) Land is not considered a capital asset until actually converted for that purpose with commencement of aboveground construction approved by the committee.

(8) **Health care facility** means those described in section 197.366, RSMo, which replaces section 197.305.7, RSMo.

(9) **Health care facility expenditure** includes the capital value of new construction or renovation costs, architectural/engineering fees, equipment not in the construction contract, land acquisition costs, consultants'/legal fees, interest during construction, predevelopment costs as defined in section 197.305(13), RSMo, in excess of one hundred fifty thousand dollars ($150,000), any existing land and building converted to medical use for the first time, and any other capitalizable costs incurred over a twelve (12)-month period as listed on the "Proposed Project Budget" form MO 580-1863.

(10) **Health maintenance organizations** means entities as defined in section 354.400(10), RSMo, except for activities directly related to the provision of insurance only.

~~(11) **Interested party** means any licensed health care provider or other affected person who has expressed an interest in the Certificate of Need (CON) process or a CON application.~~

(12~~1~~1) **Major medical equipment** means any piece of equipment and collection of functionally related devices acquired to operate the equipment and additional related costs such as software, shielding, and installation, acquired over a twelve (12)-month period with an aggregate cost of one million dollars ($1,000,000) or more, when the equipment is intended to provide the following diagnostic or treatment services and related variations, including, but not limited to:

(A) Cardiac ~~C~~catheterization;
(B) ~~CT (~~Computed Tomography~~)~~;
(C) Gamma ~~K~~knife;
~~(D) Hemodialysis;~~
(~~E~~D) Lithotripsy;
(~~F~~E) MRI (Magnetic ~~R~~resonance ~~I~~imaging);
~~(G) PET (Positron Emission Tomography);~~
(~~H~~F) Linear ~~A~~accelerator;
~~(I) Open Heart Surgery;~~
~~(J) EBCT (Electron Beam Computed Tomography);~~
(~~K~~G) ~~PET/CT (~~Positron ~~E~~emission ~~T~~tomography/~~C~~computed ~~T~~tomography); or
(~~L~~H) Evolving ~~T~~technology;

(12) **Non-Applicability review** means a Letter of Intent process to document that a CON is not needed for a proposal when the capital expenditure is less than the minimums in section 197.305(6); the proposal is to increase the number of beds by ten (10) or more than ten (10) percent of total bed capacity, whichever is less, over a two-year period; an expansion or replacement is proposed consistent with the provisions of section 197.318; an exemption or exception is found in accordance with section 197.312 or section 197.314(1); or the proposal meets the definition of a nonsubtantive project.

(13) **Nonsubstantive project** includes, but is not limited to, at least one (1) of the following situations:

(A) An expenditure which is required solely to meet federal or state requirements or involves predevelopment costs or the development of a health maintenance organization;

(B) The construction or modification of nonpatient care services, including parking facilities, sprinkler systems, heating or air-conditioning equipment, fire doors, food service equipment, building maintenance, administrative equipment, telephone systems, energy conservation measures, land acquisition, medical office buildings, and other projects or functions of a similar nature; or

(C) Expenditures for construction, equipment, or both, due to an act of God or a normal consequence of maintenance, but not replacement, of health care facilities, beds, or equipment.

(14) **Offer**, when used in connection with health services, means that the applicant asserts having the capability and the means to provide and operate the specified health services.

(15) **Predevelopment costs** mean expenditures as defined in section 197.305(13), RSMo, including consulting, legal, architectural, engineering, financial and other activities directly related to the proposed project, but excluding the application fee for submission of the application for the proposed project.

(16) **Related organization** means an organization that is associated or affiliated with, has control over or is controlled by, or has any direct financial interest in, the organization applying for a project including, without limitation, an underwriter, guarantor, parent organization, joint venturer, partner or general partner.

(17) **Service area** means a geographic region appropriate to the proposed service, documented by the applicant and approved by the committee. For long-term care projects, the fifteen (15)-mile radius calculation must be used.

(18) The form cited in this rule is incorporated by reference, and the most current version ~~of Form MO 580-1863~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the Certificate of Need Program (CONP), PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the form from the CONP website at: **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.400 Letter of Intent Process

(1) Applicants shall submit by mail, fax or e-mail a Letter of Intent (LOI) ~~package~~ to begin the Certificate of Need (CON) review process at least thirty (30) days prior to the submission of the CON application and will remain valid in accordance with the following time frames:

(A) For full reviews, expedited equipment replacements, expedited long-term care (LTC) renovation or modernization reviews and expedited LTC facility replacement reviews, a LOI is valid for six (6) months;

(B) For expedited LTC bed expansion reviews in accordance with section 197.318.8, RSMo, a LOI is valid for twenty-four (24) months; and

~~(C) For non-applicability reviews, a LOI is valid for six (6) months.~~

(2) Once filed, a LOI may be amended, except for project address, not later than ten (10) days in advance of the CON application filing, or it may be withdrawn at any time without prejudice.

(3) A LTC bed expansion or replacement sought ~~as~~ pursuant to sections 197.318.8 through 197.318.10, RSMo, does not require~~s~~ a CON application, ~~if the capital expenditure for such bed expansion or replacement exceeds six hundred thousand dollars ($600,000), but allows for shortened information requirements and review time frames~~ but is subject to non-applicability review.

(4) When a LOI for a LTC bed expansion, except replacement(s), is filed, the Certificate of Need Program (CONP) staff shall immediately request certification for that facility's ~~of~~ average licensed bed occupancy and final Class 1 patient care deficiencies for the most recent six (6) consecutive calendar quarters. ~~by~~ Such certification shall be obtained by the applicant from the Division of

Regulation and Licensure (DRL), Department of Health and Senior Services, through a LTC Facility Expansion Certification (Form MO 580-2351) to verify compliance with occupancy and deficiency requirements pursuant to section 197.318.8, RSMo. Occupancy data shall be taken from the DRL's most recently published Six-Quarter Occupancy of Intermediate Care and Skilled Nursing Facility (or Residential Care and Assisted Living Facility) Licensed Beds reports.

(5) For LTC bed expansions or replacements, the sellers and purchasers shall be defined as the owner(s) and operator(s) of the respective facilities, which includes building, land, and license. On the Purchase Agreement (Form MO 580-2352), both the owner(s) and operator(s) of the purchasing and selling facilities should sign.

(~~4~~6) The CONP staff, as an agent of the Missouri Health Facilities Review Committee (committee), will review LOIs according to the following provisions:

(A) Major medical equipment is reviewed as an expenditure on the basis of cost, regardless of owners or operators, or location (mobile or stationary);

(B) The CONP staff shall test the LOI for applicability in accordance with statutory provisions for expenditure minimums, replacements, expansions, exemptions, and exceptions.

(C) If the test verifies ~~that~~ a statutory replacement, exception or exemption ~~is met~~ on a proposed project, or the proposed cost is below all applicable expenditure minimums, the committee Chair may issue a Non-Applicability CON letter indicating the application review process is complete; otherwise, the CONP staff shall add the proposal to a list of Non-Applicability proposals to be considered at the next regularly scheduled committee meeting.

(D) If a~~n~~ replacement, exception or exemption is not ~~met~~ verified, and if the proposal is above any applicable expenditure minimum, then a CON application will be required for the proposed project.

(E) A Non-Applicability CON letter will be valid subject to the following conditions:

1. Any change in the project scope, including change in type of service, cost, operator, ownership, or site, could void the effectiveness of the letter and require a new review; and
2. Final ~~audited~~ project costs with third-party verification must be provided on a Periodic Progress Report (Form MO 580-1871).

(F) A CON application must be made if:

1. The project involves the development of a new hospital costing one million dollars ($1,000,000) or more, except for a facility licensed under ~~c~~Chapter 197, RSMo, meeting the requirements described in 42 CFR, section 412.23(e);
2. The project involves the acquisition or replacement of major medical equipment in any setting not licensed under Chapter 198, RSMo, costing one million dollars ($1,000,000) or more;
3. The project involves the acquisition or replacement of major medical equipment for a health care facility licensed under ~~c~~Chapter 198, RSMo, costing four hundred thousand dollars ($400,000) or more;
4. The project involves the acquisition of any equipment or beds in a long-term care hospital meeting the requirements found in 42 CFR section 412.23(e) at any cost;
5. The project involves a capital expenditure for renovation~~,~~ or modernization ~~or replacement~~, but not additional beds, by or on behalf of an existing health care facility licensed under Chapter 198, RSMo, costing six hundred thousand dollars ($600,000) or more;
6. The project involves either additional LTC (licensed or certified residential care facility ~~I or II~~, assisted living facility, intermediate care facility, or skilled nursing facility) beds ~~or LTC bed expansions or replacements~~ licensed under Chapter 198, RSMo, as defined in section (3) of this rule, costing six hundred thousand dollars ($600,000) or more; or
7. The project involves the expansion of an existing health care facility as described in subdivisions (1) and (2) of section 197.366, RSMo, that either:
   A. Costs six hundred thousand dollars ($600,000) or more, or
   B. Exceeds ten (10) beds or ten percent (10%) of that facility's existing licensed capacity, whichever is less.

~~(5) For a LTC bed expansion proposal pursuant to section 197.318.8(1)(e), RSMo, the CONP Staff shall request occupancy verification by the DRL who shall also provide a copy to the~~

~~applicant.~~

(~~6~~7) Nonsubstantive projects are waived from review by the authority of section 197.330.1(8), RSMo, and any projects seeking such a determination shall submit information through the LOI process; those meeting the nonsubstantive definition shall be posted for review on the CON web site at least twenty (20) days in advance of the committee meeting when they are scheduled to be confirmed by the committee.

(~~7~~8) The forms cited in this rule are incorporated by reference, and the most current versions ~~of Forms MO 580-2351, MO 580-2352, and MO 580-1871~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the forms from the CONP website at **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.410 Letter of Intent Package

(1) The Letter of Intent (LOI) (Form MO 580-1860) shall be completed as follows:

(A) **Project Information**: sufficient information to identify the intended service, such as construction, renovation, new or replacement equipment, and address or plat map identifying a specific site rather than a general area (county designation alone is not sufficient);

(B) **Applicant Identification**: the full legal name of all owner(s) and operator(s) which compose the applicant(s) who, singly or jointly, propose to develop, offer, lease or operate a new institutional health service within Missouri; provide the corporate entity, not individual names, of the corporate board of directors or the facility administrator;

(C) **Type of Review**: the applicant shall indicate if the review is for a full review, expedited review or a non-applicability review;

(D) **Project Description**: information which provides details of the number of beds to be added, deleted, or replaced, square footage of new construction and/or renovation, services affected and equipment to be acquired. If a replacement project, information which provides details of the facilities or equipment to be replaced, including name, location, distance from the current site, and its final disposition;

(E) **Estimated Project Cost**: total proposed expenditures necessary to achieve the application's objectives—not required for long-term care (LTC) bed expansions pursuant to section 197.318.8(1), RSMo;

(F) **Authorized Contact Person Identification**: the full name, title, address (including association), telephone number, e-mail, and fax number; and

(G) **Applicability**: Page 2 of the LOI must be filled out by applicants requesting a non-applicability review to provide the reason and rationale for the exemption or exception being sought.

(2) If a non-applicability review is sought, applicants shall submit the following additional information:

(A) Proposed Expenditures (Form MO 580-2375) including information which details all methods and assumptions used to estimate project costs;

(B) Schematic drawings and evidence of site control, with appropriate documentation; and

(C) In addition to the above information, for exceptions or exemptions, documentation of other provisions in compliance with the Certificate of Need (CON) statute, as described in sections (3) through (6) below of this rule.

(3) If an exemption is sought for a Residential Care or Assisted Living Facility (RCF/ALF) pursuant to section 197.312, RSMo, applicants shall submit documentation that this facility had previously been owned or operated for or, on behalf of St. Louis City.

(4) If an exemption is sought pursuant to section 197.314(1), RSMo, for a sixty (60)-bed stand-alone facility designed and operated exclusively for the care of residents with Alzheimer's disease or dementia and located in a tax increment financing district established prior to 1990 within any county of the first classification with a charter form of government containing a city with a

population of over three hundred fifty thousand (350,000) and which district also has within its boundaries a skilled nursing facility (SNF), applicants shall submit documentation that the health care facility would meet all of these provisions.

(5) The LOI must have an original signature for the contact person ~~until the Certificate of Need Program (CONP), when technically ready, shall allow for submission of~~ including an electronic signature~~s~~.

(6) The forms cited in this rule are incorporated by reference, and the most current versions ~~of Forms MO 580-1860 and MO 580-2375~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the forms from the CONP website at **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.420 Review Process

(1) The Certificate of Need (CON) filing deadlines are as follows:

(A) For full applications, at least seventy-one (71) days prior to each Missouri Health Facilities Review Committee (committee) meeting;

(B) For expedited equipment replacement applications~~,~~ and expedited long-term care (LTC) facility renovation or modernization applications~~, and expedited LTC bed expansions and replacements pursuant to section 197.318.8 through 197.318.10, RSMo~~, the tenth day of each month, or the next business day thereafter if that day is a holiday or weekend;

(C) For non-applicability reviews, the Letter of Intent (LOI) filing may occur at any time.

(2) A CON application filing that does not substantially conform with the LOI, including any change in owner(s), operator(s), scope of services, or location, shall not be considered a CON application and shall be subject to the following provisions:

(A) The Certificate of Need Program (CONP) staff shall return any nonconforming submission; or

(B) The committee may issue an automatic denial unless the applicant withdraws the attempted application.

(3) All filings must ~~occur~~ be received at the principal office of the committee during regular business hours. The CONP staff, as an agent of the committee, shall provide notification of applications received through publication of the Application Review Schedule (schedule), as follows:

(A) For full and expedited applications the schedule shall include the filing date of the application, a brief description of the proposed service, the time and place for filing comments and requests for a public hearing, and the tentative date of the meeting at which the application is scheduled for review. Publication of the schedule shall occur on the next business day after the filing deadline. The publication of the schedule is conducted through the following actions:

1. The schedule shall be submitted to the secretary of state's office for publication in the next regularly scheduled *Missouri Register*;
2. A press release about the CON application schedule shall be sent to all newspapers of general circulation and legislators in Missouri as supplied by the Department of Health and Senior Services (DHSS), Office of Public Information;
3. The schedule shall be posted on the CON web site; and
4. The schedule shall be e-mailed to all affected persons who have registered with the CONP staff as having an interest in such CON applications.

(B) ~~For expedited applications the schedule shall include the filing date of the application, a brief description of the proposed service, including the name and location of all participating facilities, the time and place for filing comments and requests for a public hearing, and the tentative decision date for the application. Publication of the schedule shall occur on the next business day after the filing deadline. The publication of the schedule is conducted through the following actions:~~

~~1. The schedule shall be submitted to the secretary of state's office for publication in the next regularly scheduled *Missouri Register*; and~~

~~2. The schedule shall be posted on the CON web site.~~

~~(C)~~ For non-applicability reviews, the listing of non-applicability letters to be confirmed shall be posted on the CON web site at least twenty (20) days prior to each scheduled meeting of the committee where confirmation is to take place.

~~(4) When an application for a full review is filed pursuant to section 197.318.1, RSMo, the CONP staff shall immediately request certification of licensed and available bed occupancy and deficiencies for each of the most recent four (4) consecutive calendar quarters in the county and fifteen (15) mile radius by the DHSS.~~

(~~5~~4) The CONP staff shall review CON applications relative to the Criteria and Standards in the order filed. If a full application has met all Criteria and Standards, and is not contested within thirty (30) days after filing, then it's review may be conducted according to the expedited application process.

(~~6~~5) The CONP staff shall notify the applicant in writing or by e-mail regarding the completeness of a full CON application within fifteen (15) calendar days of filing or within five (5) working days for an expedited application.

(~~7~~6) Verbal information or testimony shall not be considered part of the application.

(~~8~~9) Subject to statutory time constraints, the CONP staff shall send its written analysis by mail or e-mail to the committee as follows:

(A) For full CON applications, the CONP staff shall send the analysis twenty (20) days in advance of the first committee meeting following the seventieth day after the CON application is filed. The written analysis of the CONP staff shall be sent to the applicant no less than fifteen (15) days before the meeting.

(B) For expedited applications which meet all statutory and rules requirements and which have no opposition, the CONP staff shall send its written analysis to the committee and the applicant within two (2) working days following the expiration of the thirty (30)-day public notice waiting period or the date upon which any required additional information is received, whichever is later.

(C) For expedited applications which do not meet all statutory and rules requirements or those which have opposition, they will be considered at the earliest scheduled committee meeting where the written analysis by the CONP staff can be sent to the committee and the applicant at least seven (7) days in advance.

(~~9~~10) See rule 19 CSR 60-50.600 for a description of the CON decision process which shall apply to all face-to-face, videographic, telephonic, computerized and other meeting venues.

(1~~0~~1) An applicant may withdraw an application without prejudice by written notice by mail or e-mail at any time prior to the committee's decision. Later submission of the same application or an amended application shall be handled as a new application with a new fee.

(1~~1~~2) In addition to using the Community Need Criteria and Standards as guidelines, the committee may also consider other factors to include, but not be limited to, the number of patients requiring treatment, the changing complexity of treatment, unique obstacles to access, competitive financial considerations, or the specialized nature of the service.

19 CSR 60-50.430 Application Package

(1) A Certificate of Need (CON) application package shall be accompanied by an application fee which shall be a nonrefundable minimum amount of one thousand dollars ($1,000) or one-tenth of one percent (0.1%), which may be rounded up to the nearest dollar, of the total project cost, whichever is greater, made payable to the "Missouri Health Facilities Review Committee."

(2) A written application package consisting of an original and eleven (11) bound copies (comb or three (3)-ring binder) or an electronic file in PDF format shall be prepared and organized as follows:

(A) The **CON Applicant's Completeness Checklists and Table of Contents** should be used as follows:

1. Include at the front of the application;
2. Check the appropriate "done" boxes to assure completeness of the application;
3. Number all pages of the application sequentially and indicate the page numbers in the appropriate blanks;
4. Check the appropriate "n/a" box if an item in the Review Criteria is "not applicable" to the proposal; and
5. Restate (preferably in bold type) and answer all items in the Review Criteria.

(B) The **application package** should use one of the following CON Applicant's Completeness Checklists and Table of Contents appropriate to the proposed project, as follows:

1. New Hospital Application (Form MO 580-2501);
2. New or Additional Long-Term Care (LTC) Beds Application (Form MO 580-2502), use this for Residential Care, Assisted Living, Intermediate Care, and Skilled Nursing Facilities, and Long Term Care Hospitals;
3. New or Additional Long-Term Care Hospital (LTCH) Beds Application (use Form MO 580-2502);
4. New or Additional Equipment Application (Form MO 580-2503);
~~5. Expedited LTC Bed Replacement/Expansion Application (Form MO 580-2504);~~
~~6~~5. Expedited LTC Renovation/Modernization Application (Form MO 580-2505); or
~~7~~6. Expedited Equipment Replacement Application (Form MO 580-2506).

(C) The application should be formatted into dividers using the following outline:

1. Divider I. Application Summary;
2. Divider II. Proposal Description;
3. Divider III. Service-Specific Criteria and Standards; and
4. Divider IV. Financial Feasibility (only if required for full applications).

(D) **Support Information** should be included at the end of each divider section to which it pertains, and should be referenced in the divider narrative. For applicants anticipating having multiple applications in a year, master file copies of such things as maps, population data (if applicable), board memberships, IRS Form 990, or audited financial statements may be submitted once, and then referred to in subsequent applications, as long as the information remains current.

(E) The application package should document the need or meet the additional information requirements in 19 CSR 60-50.450(4)–(6) for the proposal by addressing the applicable **Community Need Criteria and Standards** using the standards in 19 CSR 60-50.440 through 19 CSR 60-50.460 plus providing additional documentation to substantiate why any proposed alternative Criteria and Standards should be used.

(3) An **Application Summary** shall be composed of the completed forms in the following order:

(A) Applicant Identification and Certification (Form MO 580-1861). Additional specific information about board membership may be requested, if needed;

(B) A completed Representative Registration (Form MO 580-1869) for the contact person and any others as required by section 197.326(1), RSMo; and

(C) A detailed Proposed Project Budget (Form MO 580-1863), with an attachment which details how each line item was determined including all methods and assumptions used.

(4) The **Proposal Description** shall include documents which:

(A) Provide a complete detailed description and scope of the project, and identify all the institutional services or programs which will be directly affected by this proposal;

(B) Describe the developmental details including:

1. A legible city or county map showing the exact location of the facility or health service, and a copy of the site plan showing the relation of the project to existing structures and boundaries;

2. Preliminary schematics for the project that specify the functional assignment of all space which will fit on an eight and one-half inch by eleven inch (8 1/2" x 11") format (not required for replacement equipment projects). The Certificate of Need Program (CONP) staff may request submission of an electronic version of the schematics, when appropriate. The function for each space, before and after construction or renovation, shall be clearly identified and all space shall be assigned;
3. Evidence of submission of architectural plans to the Division of Regulation and Licensure, Department of Health and Senior Services, for long-term care projects and other facilities (not required for replacement equipment projects);
4. For long-term care proposals, existing and proposed gross square footage for the entire facility and for each institutional service or program directly affected by the project. If the project involves relocation, identify what will go into vacated space;
5. Documentation of ownership of the project site, or that the site is available through a signed option to purchase or lease; and
6. Proposals which include major and other medical equipment should include an equipment list with prices and documentation in the form of bid quotes, purchase orders, catalog prices, or other sources to substantiate the proposed equipment costs;

(C) Proposals for new hospitals, new or additional long-term care (LTC) beds, or new major medical equipment must define the community to be served:

1. Describe the service area(s) population using year 201~~0~~5 populations and projections which are consistent with those provided by the Bureau of Informatics which can be obtained by contacting:

   Chief, Bureau of Informatics
   Section of Public Health Practice and Administrative Support (SPHPAS),
   Division of Community and Public Health
   Department of Health and Senior Services
   PO Box 570, Jefferson City, MO 65102
   Telephone: (573) 526-4805

   There will be a charge for any of the information requested, and seven to fourteen (7–14) days should be allowed for a response from the SPHPAS. Information requests should be made to SPHPAS such that the response is received at least two (2) weeks before it is needed for incorporation into the CON application.

2. Use the maps and population data received from SPHPAS with the CON Applicant's Population Determination Method to determine the estimated population for LTC projects, as follows:

   A. Utilize all of the population for zip codes entirely within the fifteen (15)-mile radius for LTC beds or geographic service area for hospitals and major medical equipment;
   B. Reference a state highway map (or a map of greater detail) to verify population centers (see Bureau of Informatics) within each zip code overlapped by the fifteen (15)-mile radius or geographic service area;
   C. Categorize population centers as either "in" or "out" of the fifteen (15)-mile radius or geographic service area and remove the population data from each affected zip code categorized as "out";
   D. Estimate, to the nearest ten percent (10%), the portion of the zip code area that is within the fifteen (15)-mile radius or geographic service area by "eyeballing" the portion of the area in the radius (if less than five percent (5%), exclude the entire zip code);
   E. Multiply the remaining zip code population (total population less the population centers) by the percentage determined in (4)(C)2.D. (due to numerous complexities, population centers will not be utilized to adjust overlapped zip code populations in Jackson, St. Louis, and St. Charles counties or St. Louis City; instead, the total population within the zip code will be considered uniform and multiplied by the percentage determined in (4)(C)2.D.);
   F. Add back the population center(s) "inside" the radius or region for zip codes overlapped; and
   G. The sum of the estimated zip codes, plus those entirely within the radius, will equal the total population within the fifteen (15)-mile radius or geographic service area.

3. Provide other statistics, such as studies, patient origin or discharge data, Hospital Industry Data Institute's information, or consultants' reports, to document the size and

validity of any proposed user-defined "geographic service area";

(D) Identify specific community problems or unmet needs which the proposed or expanded service is designed to remedy or meet;

(E) Provide historical utilization for each existing service affected by the proposal for each of the past three (3) years;

(F) Provide utilization projections through at least three (3) years beyond the completion of the project for all proposed and existing services directly affected by the project;

(G) If an alternative methodology is added, specify the method used to make need forecasts and describe in detail whether projected utilizations will vary from past trends; and

(H) Provide the current and proposed number of licensed beds by type for projects which would result in a change in the licensed bed complement of the LTC facility.

(5) Document that consumer needs and preferences have been included in planning this project. Describe how consumers have had an opportunity to provide input into this specific project, and include in this section all petitions, letters of acknowledgement, support or opposition received.

(6) Document that providers of similar health services in the proposed service area have been notified of the application by a public notice in the local newspaper of general circulation before it was filed by the applicant with the CON Program.

(7) In addition to using the Community Need Criteria and Standards as guidelines, the committee may also consider other factors to include, but not be limited to, the number of patients requiring treatment, the changing complexity of treatment, unique obstacles to access, competitive financial considerations, or the specialized nature of the service.

(~~6~~8) The forms cited in this rule are incorporated by reference, and the most current versions ~~of Forms MO 580-2501, MO 580-2502, MO 580-2503, MO 580-2504, MO 580-2505, MO 580-1861, MO 580-1869 and MO 580-1863~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403, or~~, if technically feasible, by downloading a copy of the forms from the CONP website at **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.440 Criteria and Standards for Equipment and New Hospitals

(1) For **new units or services** in the service area, use the following methodologies:

(A) The **population-based need formula** should be [**Unmet need = (R x P) – U**) where:

P = Year 201~~0~~5 population in the service area(s), use population in 19 CSR 60-50.430;
U = Number of service units in the service area(s); and
R = Community need rate of one (1) unit per population listed as follows:

1. Magnetic resonance imaging unit ..... ~~100,000~~ 28,000
2. Positron emission tomography/computed tomography unit..... ~~500,000~~ 224,000
3. Lithotripsy unit ..... ~~1,000,000~~ 486,000
4. Linear accelerator unit ..... ~~100,000~~ 78,000
5. ~~Adult c~~Cardiac catheterization lab ..... ~~50,000~~ 42,000
6. ~~Pediatric cardiac catheterization lab ..... 50,000~~
7. ~~Adult open heart surgery rooms ..... 100,000~~
8. ~~Pediatric open heart surgery rooms ..... 100,000~~
9. ~~All general surgery ..... 10,000~~

~~10~~6. Gamma knife ..... ~~7,500,000~~ 1,947,000

7. Computed tomography..... 15,000

~~11. Excimer laser ..... 500,000~~

(B) The **minimum annual utilization** for all other providers in the service area should achieve at least the following community need rates as follows:

1. Magnetic resonance imaging procedures 2,000
2. Positron emission tomography/computed tomography procedures 1,000
3. Lithotripsy treatments 1,000
4. Linear accelerator treatments 3,500
5. ~~Adult c~~Cardiac catheterization procedures (include coronary angioplasties) 500
6. ~~Pediatric cardiac catheterization procedures .....250~~
7. ~~Adult open heart surgery operations .....200~~
8. ~~Pediatric open heart surgery operations .....100~~
9. ~~All general surgery .....750~~

~~10~~6. Gamma knife treatments 200

7. Computed tomography.....3,500

11. ~~Hemodialysis treatments .....200~~
12. ~~Excimer laser procedures ..... 1,800~~

(C) **Long-term care hospitals** (such as a hospital-within-a-hospital or long-term acute care hospital) should comply with the standards as described in 42 CFR, section 412.23(e), and bed need requirements should meet the applicable population-based bed need and utilization standards in 19 CSR 60-50.450;

(D) Alternate methodologies may be provided.

(2) For **additional units or services**, the applicant's **optimal annual utilization** should achieve at least the following community need rates as follows:

(A) Magnetic resonance imaging procedures 3,000
(B) Positron emission tomography/computed tomography procedures 1,000
(C) Lithotripsy treatments 1,000
(D) Linear accelerator treatments 6,000
(E) ~~Adult c~~Cardiac catheterization procedures 750
~~(F) Pediatric cardiac catheterization procedures .....375~~
~~(G) Adult open heart surgery operations .....300~~
~~(H) Pediatric open heart surgery operations .....150~~
~~(I) All other general surgery..... 1,125~~
(~~J~~F) Gamma knife treatments 200
(G). Computed Tomography..... 4,000
~~(K) Hemodialysis treatments .....200~~
~~(L) Excimer laser procedures .....3,600~~

(3) For **replacement equipment**, utilization standards are not used, but rather the following questions should be answered:

(A) What is the financial rationale for the replacement?

(B) How has the existing unit exceeded its useful life in accordance with American Hospital Association guidelines?

(C) How does the replacement unit affect quality of care, utilization and operational efficiencies compared to the existing unit?

(D) Is the existing unit in constant need of repair?

(E) Has the current lease on the existing unit expired?

(F) What technological advances and capabilities will the new unit include?

(G) How will patient satisfaction be improved?

(H) How will the new unit improve outcomes and/or clinical improvements?

~~(I) What impact will the new unit have on utilization and operational efficiencies?~~

~~(J) How will the new unit add additional capabilities?~~

(~~K~~ I) By what percentage will this replacement increase patient charges?

(4) For the **construction of a new hospital**, the following questions should be answered:

(A) What methodology was utilized to determine the need for the proposed hospital?

(B) Provide evidence that the current occupancy of other hospitals in the proposed service area exceeds eighty percent (80%).

(C) What impact would the proposed hospital have on utilization of other hospitals in the service area?

(D) What is the unmet need according to the following population-based bed need formula using (**Unmet Need = (R x P) – U**), where:

P = Year 201~~0~~5 population in the service area;
U = Number of beds in the service area; and
R = Community need rate of one (1) bed per population in the service area as follows:

1. Medical/surgical bed.....570
2. Pediatric bed.....8,330
3. Psychiatric bed.....2,080
4. Substance abuse/chemical dependency bed.....20,000
5. Inpatient rehabilitation bed.....9,090
6. Obstetric bed.....5,880

19 CSR 60-50.450 Criteria and Standards for Long-Term Care

(1) ~~All additional long-term care (LTC) beds in nursing homes, hospitals, residential care facilities and assisted living facilities (RCF/ALF), and beds in long-term acute hospitals are subject to the LTC bed minimum occupancy requirements (MOR) pursuant to sections 197.317 and 197.318(1), RSMo, with certain exemptions and exceptions pursuant to sections 197.305(7) and 197.312, RSMo, and LTC bed expansions and replacements pursuant to sections 197.318.8 through 197.318.10, RSMo.~~

~~(2) The MOR for additional LTC beds pursuant to section 197.318.1, RSMo, shall be met if the average occupancy for all licensed and available LTC beds located within the county and within fifteen (15) miles of the proposed site exceeded ninety percent (90%) during at least each of the most recent four (4) consecutive calendar quarters at the time of application filing as reported in the Division of Regulation and Licensure (DRL), Department of Health and Senior Services, Quarterly Survey of Hospital and Nursing Home (or Residential Care Facility and Assisted Living) Bed Utilization and certified through a written finding by the DRL), in which case t~~The following population-based long-term care bed need methodology for the fifteen (15)-mile radius shall be used to determine the maximum size of the need:

(A) Approval of additional intermediate care facility/skilled nursing facility (ICF/SNF) beds will be based on a service area need determined to be fifty-three (53) beds per one thousand (1,000) population age sixty-five (65) and older minus the current supply of ICF/SNF beds shown in the Inventory of Hospital and Nursing Home ICF/SNF Beds as provided by the Certificate of Need Program (CONP) which includes licensed and Certificate of Need (CON)-approved beds; and

(B) Approval of additional RCF/ALF beds will be based on a service area need determined to be ~~sixteen (16)~~ twenty-five (25) beds per one thousand (1,000) population age sixty-five (65) and older minus the current supply of RCF/ALF beds shown in the Inventory of Residential Care and Assisted Living Facility Beds as provided by the CONP which includes licensed and CON-approved beds.

(C) Approval for Long-Term Care Hospital (LTCH) beds, as described in 42 CFR, section 412.23(e), will be based on a service area need determined to be one-tenth (0.1) bed per one thousand (1,000) population minus the current supply of LTCH beds shown in Six-Quarter Occupancy of Long-Term Care Hospital Facility Licensed and Available Beds as provided by the CONP which includes licensed beds and CON-approved beds.

(~~3~~2) Replacement Chapter 198 beds may qualify for a~~n exception to the LTC bed MOR plus shortened information requirements and review time frames~~ Non-Applicability determination if an applicant proposes to—

(A) Relocate RCF/ALF beds within a six (6)-mile radius pursuant to section 197.318.8(4), RSMo;

(B) Replace one-half (1/2) of its licensed beds within a thirty (30)-mile radius pursuant to section 197.318.9, RSMo; or

(C) Replace a facility in its entirety within a fifteen (15)-mile radius pursuant to section 197.318.10, RSMo, under the following conditions:

1. The existing facility's beds shall be replaced at only one (1) site;
2. The existing facility and the proposed facility shall have the same owner(s), regardless of corporate structure; and
3. The owner(s) shall stipulate in writing that the existing facility's beds to be replaced will not be used later to provide long-term care services; or if the facility is operated under a lease, both the lessee and the owner of the existing facility shall stipulate the same in writing.

(~~4~~3) LTC bed expansions involving a Chapter 198 facility may qualify for a~~n exception to the LTC bed MOR. In addition to the shortened information requirements and review time frames, applicants shall also submit~~ Non-Applicability determination if the following information is submitted:

(A) If an effort to purchase has been successful pursuant to section 197.318.8(1), RSMo, a Purchase Agreement (Form MO 580-2352) between the selling and purchasing facilities, and a copy of the selling facility's reissued license verifying the surrender of the beds sold; or

(B) If an effort to purchase has been unsuccessful pursuant to section 197.318.8(1), RSMo, a Purchase Agreement (Form MO 580-2352) between the selling and purchasing facilities which documents the "effort(s) to purchase" LTC beds.

(~~5~~4) An exception to the ~~LTC bed MOR and~~ CON application filing fee will be recognized for any proposed facility which is designed and operated exclusively for persons with acquired human immunodeficiency syndrome (AIDS).

~~(6) An exception to the LTC bed MOR will be recognized for a proposed LTC facility where at least ninety-five percent (95%) of the patients require kosher diets pursuant to section 197.318.5, RSMo.~~

(~~7~~5) Any newly-licensed Chapter 198 facility established as a result of the Alzheimer's and dementia demonstration projects pursuant to Chapter 198, RSMo, or aging-in-place pilot projects pursuant to Chapter 198, RSMo, as implemented by the DRL, may be licensed by the DRL until the completion of each project. If a demonstration or pilot project receives a successful evaluation from the DRL and a qualified Missouri school or university, and meets the DRL standards for licensure, this will ensure continued licensure without a new CON.

(~~8~~6) For LTC renovation or modernization projects which do not include increasing the number of beds, the applicant should document the following, if applicable:

(A) The proposed project is needed to comply with current facility code ~~requirements of~~ local, state or federal government~~s~~;

~~(B) The proposed project is needed to meet~~ requirements for licensure, certification or accreditation~~, which if not undertaken, could result in a loss of accreditation or certification~~;

(~~C~~B) Operational efficiencies will be attained through reconfiguration of space and functions;

(~~D~~C) The methodologies used for determining need~~:~~

~~(E) The rationale for~~ and the reallocation of space and functions; and

(~~F~~D) The benefits to the facility because of its age or condition.

(~~9~~7) The form cited in this rule are incorporated by reference, and the most current version ~~of Form MO 580-2352~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the form from the CONP website at **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.460 Criteria and Standards for Evolving Technology

(1) For evolving technology not currently available in the state or not in general usage in the state, the following shall be documented:

(A) The medical effects shall be described and documented in published scientific literature;

(B) The degree to which the objectives of the technology have been met in practice;

(C) Any side effects, contraindications or environmental exposures;

(D) The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and the effects on the existing technologies;

(E) Food and Drug Administration approval;

(F) The need methodology used by this proposal in order to assess efficacy and cost impact of the proposal; and

(G) Explain the degree of partnership, if any, with other institutions for the joint use of and financing of the evolving technology.

19 CSR 60-50.470 Criteria and Standards for Financial Feasibility

(1) Proposals for any new hospital, nursing home, residential care facility, or assisted living facility construction must include documentation that the proposed costs per square foot are reasonable when compared to the latest "RS Means Construction Cost Data" available from Certificate of Need Program (CONP). Any proposal with costs in excess of the three-fourths (3/4) percentile must include justification for the higher costs.

(2) Document that sufficient financing will be available to assure completion of the project by providing a letter from a financial institution saying it is willing to finance the project, or an auditor's statement that unrestricted funds are available for the project.

(3) Document financial feasibility by including:

(A) The Service-Specific Revenues and Expenses (Form MO 580-1865) as a financial performa for each revenue generating service affected by the project for the past three (3) years projected through three (3) years beyond project completion; and

~~(B) The Detailed Institutional Cash Flows (Form MO 580-1866) for the past three (3) years projected through three (3) years beyond project completion; and~~

(~~C~~B) For existing services, a copy of the latest available audited financial statements or the most recent Internal Revenue Service (IRS) 990 Form or similar IRS filing for facilities not having individual audited financial statements.

(4) Show how the proposed service will be affordable to the population in the proposed service area:

(A) Document how the proposal would impact current patient charges, and disclose the method for deriving charges for this service, including both direct and indirect components of the charge; and

(B) Demonstrate that the proposed service will be responsive to the needs of the medically indigent through such mechanisms as fee waivers, reduced charges, sliding fee scales or structured payments.

(5) The forms cited in this rule are incorporated by reference, and the most current versions ~~of Forms MO 580-1865 and MO 580-1866~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the forms from the CONP website at **www.dhss.mo.gov/con**~~/Forms.html.

19 CSR 60-50.500 Additional Information

(1) Additional information requested by the Missouri Health Facilities Review Committee (committee) shall be submitted within the time frame specified by the committee.

(2) If an application is determined to be incomplete, the applicant shall be notified within fifteen (15) calendar days after filing (five (5) working days in the case of an expedited application). The applicant's written response in the form of an original and eleven (11) copies or electronic version shall be received within fifteen (15) calendar days after receipt of notification.

(3) Information submitted by ~~interested parties~~ affected persons should be received at the committee's principal office at least thirty (30) calendar days before the scheduled meeting of the committee.

(4) Copies of any additional information sent directly to the committee by applicants or ~~interested parties~~ affected parties should also be sent to the Certificate of Need Program (CONP) for file copies.

(5) When a request in writing or e-mail is filed by any affected person within thirty (30) calendar days from the date of publication of the Application Review Schedule, the committee or CONP staff shall hold a public hearing on any application under the following conditions:

(A) The hearing may be conducted in the city of the proposed project if monetarily feasible;

(B) The CONP staff will present the introductions and orientation for the public hearing;

(C) The applicant may have up to fifteen (15) minutes for a~~n applicant~~ presentation at the public hearing;

(D) Any person may present written testimony and up to five (5) minutes of verbal testimony at the public hearing; and

(E) The testimony shall become a part of the record of the review.

19 CSR 60-50.600 Certificate of Need Decisions

(1) Decisions on full Certificate of Need (CON) applications and contested expedited applications shall be subject to the following:

(A) Parliamentary procedures for all face-to-face, videographic, telephonic and computerized meetings shall follow *Robert's Rules of Order*, newly revised 2000 edition, 10th edition.

(B) The ~~Certificate of Need~~ CON Program's analysis becomes the findings of fact for the Missouri Health Facilities Review Committee (committee) decision except to the extent that it is expressly rejected, amended or replaced by the committee in which case the minutes of the committee will contain the changes and become the amended findings of fact of the committee. The committee's final vote becomes conclusion of law.

(C) A final decision is rendered on any application after each committee member present is given the opportunity to vote and the chair announces the passage or defeat of the motion on the floor. The chair or acting chair shall vote only in case of a tie.

(2) Decisions on expedited CON applications shall be subject to the following:

(A) In the case of qualifying expedited review applications, committee members will receive a ballot in addition to the written analysis. Members may vote either to approve the application or to have it placed on the next formal meeting agenda for consideration.

(B) Ballots may be returned to the CON office by either mail, e-mail, or fax, but must be received within ten (10) days from the date they were mailed to committee members.

(C) A final decision to approve the application will be rendered if all ballots received by the cut-off date (at least five (5) ballots are required) signifying a vote to approve the project. If the vote is not unanimous, the application will be subject to the provisions of section (1) of this rule.

(3) The committee shall make a decision on an application within one hundred thirty (130) calendar days after the date the application is filed, and subsequently notify the applicant by providing either a legal certificate or denial letter by mail or e-mail.

19 CSR 60-50.700 Post-Decision Activity

(1) Applicants who have been granted a Certificate of Need (CON) or a Non-Applicability CON letter shall file reports by mail or e-mail with the Missouri Health Facilities Review Committee (committee), using Periodic Progress Report (Form MO 580-1871). A report shall be filed by the end of each six (6)-month period after CON approval, or issuance of a Non-Applicability CON letter, until project construction and/or expenditures are complete. All Periodic Progress Reports must contain a complete and accurate accounting of all expenditures for the report period.

(2) Applicants who have been granted a CON and fail to incur a capital expenditure within six (6) months may request an extension of six (6) months by submitting a letter to the committee outlining the reasons for the failure, with a listing of the actions to be taken within the requested extension period to insure compliance. The Certificate of Need Program (CONP) staff on behalf of the committee will analyze the request and grant an extension, if appropriate. Applicants ~~who~~ may request additional extensions, and must provide additional financial information ~~or~~ plus other documentation describing delays ~~information, if requested by the CONP staff~~.

~~(3) For those long-term care proposals receiving a CON in 2003 for which no construction can begin prior to January 1, 2004, such proposals shall not be subject to forfeiture until July 1, 2004, at which time reporting requirements shall commence. Applicants may request an extension of six (6) months for such proposals.~~

(~~4~~3) A Non-Applicability CON letter is valid for six (6) months from the date of issuance. Failure to incur a capital expenditure or purchase the proposed equipment within that timeframe shall result in the Non-Applicability CON letter becoming null and void. The applicant may request one (1) six (6)-month extension unless otherwise constrained by statutory changes.

(~~5~~4) A CON shall be subject to forfeiture for failure to:

(A) Incur a project-specific capital expenditure within twelve (12) months after the date the CON was issued through initiation of project aboveground construction or lease/purchase of the proposed equipment since a capital expenditure, according to generally accepted accounting principles, must be applied to a capital asset; or

(B) File the required Periodic Progress Report.

(~~6~~5) If the CONP staff finds that a CON may be subject to forfeiture:

(A) Not less than thirty (30) calendar days prior to a committee meeting, the CONP shall notify the applicant in writing of the possible forfeiture, the reasons for it, and its placement on the committee agenda for action; and

(B) After receipt of the notice of possible forfeiture, the applicant may submit information to the committee within ten (10) calendar days to show compliance with this rule or other good cause as to why the CON shall not be forfeited.

(~~7~~6) If the committee forfeits a CON or a Non-Applicability CON letter becomes null and void, CONP staff shall notify all affected state agencies of this action.

(~~8~~7) Cost overrun review procedures implement the CON statute section 197.315.7, RSMo. Immediately upon discovery that a project's actual costs would exceed approved project costs by more than ten percent (10%), an applicant shall apply for approval of the cost variance. A nonrefundable fee in the amount of one-tenth of one percent (0.1%) of the additional project cost above the approved amount made payable to "Missouri Health Facilities Review Committee" shall be required. The original and eleven (11) copies or electronic version of the information requirements for a cost overrun review are required as follows:

(A) Amount and justification for cost overrun shall document:

1. Why and how the approved project costs would be exceeded, including a detailed listing of the areas involved;
2. Any changes that have occurred in the scope of the project as originally approved; and

3. The alternatives to incurring this overrun that were considered and why this particular approach was selected; and

(B) Provide a Proposed Project Budget (Form MO 580-1863).

(~~9~~8) At any time during the process from Letter of Intent to project completion, the applicant is responsible for notifying the committee of any change in the designated contact person. If a change is necessary, the applicant must file a Contact Person Correction (Form MO 580-1870).

(~~10~~9) The forms cited in this rule are incorporated by reference, and the most current versions ~~of Forms MO 580-1871, MO 580-1863, and MO 580-1870~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquire in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the forms from the CONP website at **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.800 Meeting Procedures

(1) The regular meetings of the Missouri Health Facilities Review Committee (committee) to consider Certificate of Need (CON) applications shall be held approximately every eight (8) weeks according to a schedule adopted by the committee before the beginning of each calendar year and modified periodically to reflect changes. A copy of this calendar may be obtained from the CON Program (CONP) staff or CON website.

(2) The original and eleven (11) copies or electronic version of all new information not previously in the application or requests for the addition of agenda items shall be received by the CONP staff at least thirty (30) calendar days before the scheduled meeting with one (1) exception. An applicant shall have no less than fifteen (15) days to respond to the findings of the staff and adverse information received from other parties. An applicant should respond in writing to an inquiry from a committee member at any time, and the response shall be provided to the committee for consideration.

(3) Any committee member may request that an item be added to the agenda up to forty-eight (48) hours before the scheduled meeting, exclusive of weekends and holidays when the principal office is closed.

(4) The tentative agenda for each committee meeting shall be released at least twenty (20) calendar days before each meeting.

(5) The committee may give the applicant and ~~interested parties~~ affected parties an opportunity to make brief presentations at the meeting according to the Missouri Health Facilities Review Committee Meeting Format and Missouri Health Facilities Review Committee Meeting Protocol. The applicant and ~~interested parties~~ affected parties shall conform to the following procedures:

(A) The applicant's presentation shall be a key points summary based on the written application and shall not exceed ten (10) minutes inclusive of all presenters with five (5) minutes additional time for summation;

(B) Others in support or opposition to the applicant's project (such as political representatives, citizens of the community and other providers) shall be categorized as unrelated parties and shall appear after the applicant's presentation;

(C) Regardless of the number of presenters involved in the presentation, individual presentations by unrelated parties in support of, neutral, or in opposition to the applicant's project shall not exceed three (3) minutes each;

(D) No new material shall be introduced with the exception of materials or information provided in response to the CONP staff or at the request of a committee member;

(E) Rebuttals by applicants of presentations by ~~interested parties~~ affected parties are generally allowed;

(F) All presenters shall complete and sign a Representative Registration (Form MO 580-1869) and give it to the sign-in coordinator prior to speaking;

(G) The reserved area in the hearing room may be used by an applicant only during the applicant's presentation and then vacated for the next group (individuals waiting to present shall remain clear of the podium and staff areas until specifically called by the chairman); and

(H) Prescribed time limits shall be monitored by the timekeeper, and presenters shall observe the timekeeper's indications of lapsed time to ensure that each presenter has an opportunity to present within the allotted time.

(6) Additional meetings of the committee may be held periodically. These meetings may include educational workshops for members to gain knowledge, meetings with organizations for cooperative purposes, discussion of rules, seeking legal advice from counsel, and other issues.

(7) The form cited in this rule are incorporated by reference, and the most current version ~~of Form MO 580-1869~~ may be downloaded from http://www.dhss.mo.gov/con/Forms.html, obtained by mailing a written request with a self-addressed stamped envelope to the CONP, PO Box 570, Jefferson City, MO 65102-0570, or acquired in person at the CONP Office (573) 751-6403~~, or, if technically feasible, by downloading a copy of the form from the CONP website at **www.dhss.mo.gov/con**/Forms.html~~.

19 CSR 60-50.900 Administration

(1) The role of the Missouri Health Facilities Review Committee (committee) includes the following:

(A) Make specific decisions about applications, applicability and administrative matters;

(B) Make policy decisions to include the development of rules; and

(C) Oversee operations of the Certificate of Need Program (CONP) staff.

(2) The role of the CONP staff includes the following:

(A) Act as an agent of the committee; and

(B) Perform administrative tasks.

(3) The CONP staff shall be staffed as follows:

(A) The committee shall employ a CONP director and additional staff to perform the duties assigned to it by law;

(B) The committee shall designate the CONP director, or his/her designee, to perform any administrative functions that may be required of the committee by law; and

(C) The CONP staff shall be housed at the principal office of the committee.

(4) The committee shall maintain its principal office in Jefferson City where the CONP staff will:

(A) Accept letters of intent, applications and any other written communication related to the conduct of the CONP;

(B) Accept service of legal process;

(C) Maintain its records; and

(D) Post all notices required by law.

(5) The CONP staff shall provide technical assistance to potential applicants.

(6) The committee and CONP staff shall post information on the CONP website containing the status of reviews being conducted, the reviews completed since the last report, and the decisions made, plus an annual summary of activities for the past calendar year.

to be added to rules

Certificate of Need Program

LETTER OF INTENT

1. Project Information *(attach additional pages as necessary to identify multiple project sites.)*

Title of Proposed Project	County

Project Address *(Street/City/State/Zip Code or plat map, if no address)*

2. Applicant Identification *(attach additional pages as necessary to list all owners and operators)*

List All Owner(s): *(list corporate entity)*	Address (Street/City/State/Zip Code)	Telephone Number

List All Operator(s): *(list entity to be licensed or certified)*	Address (Street/City/State/Zip Code)	Telephone Number

3. Type of Review

Full Review:

- ☐ New Hospital
- ☐ New/Add LTC Beds
- ☐ New/Add LTCH Beds/eqpt
- ☐ New/Additional Equipment
- ☐ Replacement Equipment not prevously approved

Expedited Review:

- ☐ 6-mile RCF/ALF Replacement
- ☐ 15-mile LTC Replacement
- ☐ 30-mile LTC Replacement
- ☐ LTC Bed Expansion
- ☐ LTC Renov./Modernization
- ☐ Equipment Replacement

Non-Applicability Review:

- ☐ *(See **7. Applicability** next page)*

4. Project Description *(information should be brief but sufficient to understand scope of project)*

Project description to include the number of long-term care beds to be added, deleted or replaced, square footage of new construction and/or renovation, services affected, and major medical equipment to be acquired or replaced. If applying for a non-applicability review, also complete the next page of this form.

Legend: LTC = Long-Term Care; LTCH = Long-Term Care Hospital; RCF/ALF = Residential Care and Assisted Living Facility

5. Estimated Project Cost: $ _____

6. Authorized Contact Person Identification *(only one per project, regardless of number of owners/operators)*

Name of Contact Person	Title

Contact Person Address *(Company/Street/City/State/Zip Code)*

Telephone Number	Fax Number	E-mail Address

Signature of Contact Person	Date of Signature

Certificate of Need Program

LETTER OF INTENT

7. Applicability *(check the box below to indicate the rationale for the exemption or waiver being sought)*

☐ If proposed expenditures are **less than the minimums** in §197.305(6), then attach a Proposed Expenditures form and all necessary supporting documentation to illustrate how those amounts were determined, such as schematic drawings, equipment quotes, and contractor estimates.

☐ §197.305(10)(e) for additional long term care beds in the same category (certified as RCF/ALF, ICF or SNF) in a RCF/ALF, nursing home, or acute care hospital costing less than $600,000, and are 10 beds or 10% of that facility's existing capacity, whichever is less.

If the proposal meets one of the **exemptions** or **exceptions** below, then check the appropriate box, explain how the proposal qualifies, and attach detailed documentation substantiating compliance with the statutory provisions as set out in Rule 19 CSR 60-50.410:

☐ §197.312 for an RCF/ALF previously owned and operated by the city of St. Louis; or

☐ §197.314(1) for a long term care facility in a tax increment financing (TIF) district with a skilled nursing facility (SNF);

☐ If the proposal meets the definition of **"nonsubstantive projects"** in §197.305(11) and 19 CSR 60-50.300(12) for a **waiver** from review, complete both pages of this form as the first step in the process, and provide the rationale as to why the proposal should be deemed to be "nonsubstantive" in the space below.

☐ If the proposal meets the definition of **"purchase"** or **"replacement"** in §197.318(8) and 19 CSR 60-50.450(3-4) for an **exception** from review, complete both pages of this form, plus the Proposed Expenditures form on the next page, and provide the rationale in the space below, including attached schematics and other documentation as to why the proposal should be deemed to be "nonapplicable".

Explain the rationale for the exemption, exception, or waiver being sought:

to be added to rules

Certificate of Need Program

PROPOSED EXPENDITURES

CAPITAL COSTS:	**Dollars** *(fill in every line even if the amount is "0")*
Description	
1. New Construction Costs	$
2. Renovation Costs	
3. Architectural/Engineering Fees	
4. Equipment (not in construction contract)	
5. Land Acquisition Costs	
6. Consultants' Fees/Legal Fees	
7. Interest During Construction (net of interest earned)	
8. Other Costs (describe what this includes)	
9. Total Capital Costs (sum of #1 thru # 8)	$

MEDICAL EQUIPMENT COSTS:	**Dollars** *(fill in every line even if the amount is "0")*
Description	
10. Equipment (fixed and movable)	$
11. Shielding (if not included in equipment bid quote)	
12. Installation (if not included in equipment bid quote)	
13. Software (if not included in equipment bid quote)	
14. Other (describe what this includes)	
15. Total Medical Equipment Costs (sum of #10 thru #14)	$

MO 580-2375 (07/09)

LTC Facility Expansion CERTIFICATION by the Division of Regulation and Licensure (DRL)

Part I: Facility Information

Name of Facility: _____

Address (no PO Box): _____

City, State, Zip, County: _____

Number and Type of Beds: _____ ☐ RCF/ALF ☐ ICF/SNF *(check RCF/ALF for residential care and assisted living facility or ICF/SNF for intermediate care and skilled nursing facility)*

Owner(s): _____

Operator(s): _____

Project Number: _____

Part II: Quarterly RCF/ALF/ICF/SNF Bed Occupancy Rate

Occupancy statistics for this facility for the most recent six consecutive calendar quarters prior to the LOI date shown above:

(circle appropriate quarter, insert the Calendar Year (CY), and complete information below)

Qtr 1 2 3 4 CY____: ____% **Qtr 1 2 3 4 CY____: ____%** **Qtr 1 2 3 4 CY____: ____%**

Qtr 1 2 3 4 CY____: ____% **Qtr 1 2 3 4 CY____: ____%** **Qtr 1 2 3 4 CY____: ____%**

Six-quarter average: _____%

☐ Yes ☐ No For expansion through the **purchase** of beds, based on the DRL Quarterly Survey Data, the 90% bed occupancy requirement has been met.

☐ Yes ☐ No For expansion through the **addition** of beds, based on the DRL's Quarterly Survey Data, the 92% bed occupancy requirement has been met for under 40 LTC beds, or 93% for 40 bed or more LTC beds (see above).

Part III: Deficiencies

☐ Yes ☐ No For expansion through the **purchase** or **addition** of beds, based on the DRL's annual facility survey, the above-named facility has not had any final Class I patient care deficiencies during the past 18 months.

Part IV: Certification of Information

Statement: The above information is an accurate representation of the findings by the DRL in accordance with appropriate CON rules.

Signature: _____

Title/Date: _____ _____

Certificate of Need Program

PURCHASE AGREEMENT

Part I: Purchasing Facility Information

Name of Facility: _____

Address (no PO Box): _____

City, State, Zip, County: _____ ___ _____ _____

Number/Type Licensed Beds: _____ ☐ RCF/ALF ☐ ICF/SNF *(check RCF/ALF for residential care and assisted living facility or ICF/SNF for intermediate care and skilled nursing facility)*

Owner(s): _____

Operator(s): _____

Part II: Selling Facility Information

Name of Facility: _____

Address (no PO Box): _____

City, State, Zip, County: _____ ___ _____ _____

Number/Type Licensed Beds: _____ ☐ RCF/ALF ☐ ICF/SNF *(check RCF/ALF for residential care and assisted living facility or ICF/SNF for intermediate care and skilled nursing facility)*

Owner(s): _____

Operator(s): _____

Part III: Value of Consideration

Monetary Value of Purchase: $_____ No./Type Beds: _____

Terms of Purchase: _____

(add more pages as necessary to describe the sale)

Part IV: Certification of Information

☐ Yes ☐ No The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature: _____

Title/Date: _____ _____

Seller(s) Signature(s): Owner(s): _____ _____

Operator(s): _____ _____

Title/Date: _____ _____

MO 580-2352 (08/06)

Certificate of Need Program

NEW HOSPITAL APPLICATION

Applicant's Completeness Checklist and Table of Contents

Project Name: _____ Project No.:_____

Project Description: _____

Done Page N/A Description of CON Rulebook Contents

Divider I. Application Summary:

- ☐ ____ ☐ 1. Applicant Identification and Certification (Form MO 580-1861).
- ☐ ____ ☐ 2. Representative Registration (Form MO 580-1869).
- ☐ ____ ☐ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet.

Divider II. Proposal Description:

- ☐ ____ ☐ 1. Provide a complete detailed project description.
- ☐ ____ ☐ 2. Provide a legible city or county map showing the exact location of the proposed facility.
- ☐ ____ ☐ 3. Provide a site plan for the proposed project.
- ☐ ____ ☐ 4. Provide preliminary schematic drawings for the proposed project.
- ☐ ____ ☐ 5. Provide evidence that architectural plans have been submitted to the Department of Health and Senior Services.
- ☐ ____ ☐ 6. Provide the proposed gross square footage.
- ☐ ____ ☐ 7. Document ownership of the project site, or provide an option to purchase.
- ☐ ____ ☐ 8. Define the community to be served (service area: 2015 population, area, rationale).
- ☐ ____ ☐ 9. Provide utilization estimates for the first three years of operation.
- ☐ ____ ☐ 10. Provide the methods and assumptions used to project utilization.
- ☐ ____ ☐ 11. Provide the proposed number of licensed beds by medical specialty.
- ☐ ____ ☐ 12. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
- ☐ ____ ☐ 13. Provide copies of any petitions, letters of support or opposition received.

Divider III. Community Need Criteria and Standards:

- ☐ ____ ☐ 1. Document the methodology utilized to determine the need for the proposed hospital.
- ☐ ____ ☐ 2. Document that the current occupancy of other hospitals in the proposed geographic service area exceeds 80%.
- ☐ ____ ☐ 3. Discuss the impact the proposed hospital would have on utilization of other hospitals in the geographic service area.
- ☐ ____ ☐ 4. Document the unmet need in the geographic service area for each type of bed being proposed according to the population-based formula.

Divider IV. Financial Feasibility Review Criteria & Standards:

- ☐ ____ ☐ 1. Document that the proposed costs per square foot are reasonable when compared to the latest RS Means Construction Cost data for new hospital construction.
- ☐ ____ ☐ 2. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
- ☐ ____ ☐ 3. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) years beyond project completion.
- ☐ ____ ☐ 4. Document how patient charges were derived.
- ☐ ____ ☐ 5. Document responsiveness to the needs of the medically indigent.

Certificate of Need Program

NEW OR ADDITIONAL LONG TERM CARE BED APPLICATION*

Applicant's Completeness Checklist and Table of Contents

Project Name _____ No. _____

Project Description _____

Done Page N/A Description of CON Rulebook Contents

Divider I. Application Summary:

☐ ____ ☐ 1. Applicant Identification and Certification (Form MO 580-1861).
☐ ____ ☐ 2. Representative Registration (Form MO 580-1869).
☐ ____ ☐ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet.

Divider II. Proposal Description:

☐ ____ ☐ 1. Provide a complete detailed project description.
☐ ____ ☐ 2. Provide a legible city or county map showing the exact location of the proposed facility.
☐ ____ ☐ 3. Provide a site plan for the proposed project.
☐ ____ ☐ 4. Provide preliminary schematic drawings for the proposed project.
☐ ____ ☐ 5. Provide evidence that architectural plans have been submitted to the DHSS.
☐ ____ ☐ 6. Provide the proposed gross square footage.
☐ ____ ☐ 7. Document ownership of the project site, or provide an option to purchase.
☐ ____ ☐ 8. Define the community to be served.
☐ ____ ☐ 9. Provide 2015 population projections for the 15-mile radius service area.
☐ ____ ☐ 10. Identify specific community problems or unmet needs the proposal would address.
☐ ____ ☐ 11. Provide historical utilization for each of the past three years and utilization projections through the first three years of operation of the new LTC beds.
☐ ____ ☐ 12. Provide the methods and assumptions used to project utilization.
☐ ____ ☐ 13. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
☐ ____ ☐ 14. Provide copies of any petitions, letters of support or opposition received.

Divider III. Service Specific Criteria and Standards:

☐ ____ ☐ 1. For ICF/SNF beds, address the population-based bed need methodology of fifty-three (53) beds per one thousand (1,000) population age sixty-five (65) and older.
☐ ____ ☐ 2. For RCF/ALF beds, address the population-based bed need methodology of twenty-five (25) beds per one thousand (1,000) population age sixty-five (65) and older.
☐ ____ ☐ 3. Document any alternate need methodology used to determine the need for additional beds such as LTCH, Alzheimer's, mental health or other specialty beds.
☐ ____ ☐ 4. For any proposed facility which is designed and operated exclusively for persons with acquired human immunodeficiency syndrome (AIDS) provide information to justify the need for the type of beds being proposed.

Divider IV. Financial Feasibility Review Criteria & Standards:

☐ ____ ☐ 1. Document that the proposed costs per square foot are reasonable when compared to the latest "RS Means Construction Cost data".
☐ ____ ☐ 2. Document that sufficient financing is available by providing a letter from a financial institution or an auditors statement indicating that sufficient funds are available.
☐ ____ ☐ 3. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) years beyond project completion.
☐ ____ ☐ 4. Document how patient charges were derived.
☐ ____ ☐ 5. Document responsiveness to the needs of the medically indigent.

** Use for RCF/ALF, ICF/SNF and LTCH beds*

MO 580-2502 (07/09)

Certificate of Need Program

NEW OR ADDITIONAL EQUIPMENT APPLICATION

Applicant's Completeness Checklist and Table of Contents

Project Name: _____ Project No.: _____

Project Description: _____

Done Page N/A Description of CON Rulebook Contents

Divider I. Application Summary:

☐ ____ ☐ 1. Applicant Identification and Certification (Form MO 580-1861).
☐ ____ ☐ 2. Representative Registration (Form MO 580-1869).
☐ ____ ☐ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet.

Divider II. Proposal Description:

☐ ____ ☐ 1. Provide a complete detailed project description and include equipment bid quotes.
☐ ____ ☐ 2. Provide a legible city or county map showing the exact location of the project.
☐ ____ ☐ 3. Define the community to be served.
☐ ____ ☐ 4. Provide 2015 population projections for the proposed geographic service area.
☐ ____ ☐ 5. Provide other statistics to document the size and validity of any user-defined geographic service area.
☐ ____ ☐ 6. Identify specific community problems or unmet needs the proposal would address.
☐ ____ ☐ 7. Provide historical utilization for each of the past three years and utilization projections through the first three years of operation of the new equipment.
☐ ____ ☐ 8. Provide the methods and assumptions used to project utilization.
☐ ____ ☐ 9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
☐ ____ ☐ 10. Provide copies of any petitions, letters of support or opposition received.

Divider III. Community Need Criteria and Standards:

☐ ____ ☐ 1. For new units address the need formula for the proposed geographic service area.
☐ ____ ☐ 2. For new units, address the minimum annual utilization standard for the proposed geographic service area.
☐ ____ ☐ 3. For any new unit where specific need and utilization standards are not listed, provide the methodology for determining need.
☐ ____ ☐ 4. For additional units, document compliance with the optimal utilization standard, and if not achieved, provide documentation to justify the additional unit.
5. For evolving technology address the following:
☐ ____ ☐ – Medical effects as described and documented in published scientific literature;
☐ ____ ☐ – The degree to which the objectives of the technology have been met in practice;
☐ ____ ☐ – Any side effects, contraindications or environmental exposures;
☐ ____ ☐ – The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and the effects on the existing technologies;
☐ ____ ☐ – Food and Drug Administration approval;
☐ ____ ☐ – The need methodology used by this proposal in order to assess efficacy and cost impact of the proposal; and
☐ ____ ☐ – The degree of partnership, if any, with other institutions for joint use and financing.

Divider IV. Financial Feasibility Review Criteria & Standards:

☐ ____ ☐ 1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
☐ ____ ☐ 2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) years beyond project completion.
☐ ____ ☐ 3. Document how patient charges were derived.
☐ ____ ☐ 4. Document responsiveness to the needs of the medically indigent.

Certificate of Need Program

EXPEDITED LTC RENOVATION/MODERNIZATION APPLICATION

Applicant's Completeness Checklist and Table of Contents

Project Name:_____ Project No.: _____

Project Description: _____

Done Page N/A Description of CON Rulebook Contents

Divider I. Application Summary:

- ☐ ____ ☐ 1. Applicant Identification and Certification (Form MO 580-1861).
- ☐ ____ ☐ 2. Representative Registration (Form MO 580-1869).
- ☐ ____ ☐ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet.

Divider II. Proposal Description:

- ☐ ____ ☐ 1. Provide a complete detailed project description.
- ☐ ____ ☐ 2. Provide preliminary schematic drawings for the proposed project.
- ☐ ____ ☐ 3. Provide the existing and proposed gross square footage.
- ☐ ____ ☐ 4. Document ownership of the project site.

Divider III. Community Need Criteria and Standards:

- ☐ ____ ☐ 1. Indicate whether the proposed project is needed to comply with current facility code requirements of local, state or federal governments.
- ☐ ____ ☐ 2. Indicate whether the proposed project is needed to meet requirements for licensure, certification or accreditation, which if not undertaken, could result in a loss of accreditation or certification.
- ☐ ____ ☐ 3. Describe any operational efficiencies to be attained through reconfiguration of space and functions.
- ☐ ____ ☐ 4. Describe the methodologies used for determining need.
- ☐ ____ ☐ 5. Provide the rationale for the reallocation of space and functions.

MO 580-2505 (01-02)

Certificate of Need Program

EXPEDITED EQUIPMENT REPLACEMENT APPLICATION

Applicant's Completeness Checklist and Table of Contents

Project Name:_____ Project No.:_____

Project Description: _____

Done Page N/A Description of CON Rulebook Contents

Divider I. Application Summary:

☐ ____ ☐ 1. Applicant Identification and Certification (Form MO 580-1861).
☐ ____ ☐ 2. Representative Registration (Form MO 580-1869).
☐ ____ ☐ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet.

Divider II. Proposal Description:

☐ ____ ☐ 1. Provide a complete detailed project description.
☐ ____ ☐ 2. Provide a listing with itemized costs of the medical equipment to be acquired.
☐ ____ ☐ 3. Provide bid quotes for the proposed equipment.

Divider III. Community Need Criteria and Standards:

☐ ____ ☐ 1. Describe the financial rationale for the proposed replacement equipment.
☐ ____ ☐ 2. Document if the existing equipment has exceeded its useful life.
☐ ____ ☐ 3. Describe the effect the replacement unit would have on quality of care.
☐ ____ ☐ 4. Document if the existing equipment is in constant need of repair.
☐ ____ ☐ 5. Document if the lease on the current equipment has expired.
☐ ____ ☐ 6. Describe the technological advances provided by the new unit.
☐ ____ ☐ 7. Describe how patient satisfaction would be improved.
☐ ____ ☐ 8. Describe how patient outcomes would be improved.
☐ ____ ☐ 9. Describe what impact the new unit would have on utilization.
☐ ____ ☐ 10. Describe any new capabilities that the new unit would provide.
☐ ____ ☐ 11. By what percent will this replacement increase patient charges?

(If full review for replacement equipment not previously approved, also complete Divider IV below)

Divider IV. Financial Feasibility Review Criteria & Standards:

☐ ____ ☐ 1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
☐ ____ ☐ 2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) years beyond project completion.
☐ ____ ☐ 3. Document how patient charges were derived.
☐ ____ ☐ 4. Document responsiveness to the needs of the medically indigent.

MO 580-2506 (07/09)

Certificate of Need Program

APPLICANT IDENTIFICATION AND CERTIFICATION

*(must match the **Letter of Intent** for this project, without exception)*

1. Project Location *(attach additional pages as necessary to identify multiple project sites.)*

Title of Proposed Project	Project Number
Project Address (Street/City/State/Zip Code)	**County**

2. Applicant Identification *(information must agree with previously submitted Letter of Intent)*

List All Owner(s): *(list corporate entity)*	Address (Street/City/State/Zip Code)	Telephone Number

List All Operator(s): *(list entity to be licensed or certified)*	Address (Street/City/State/Zip Code)	Telephone Number

3. Ownership *(Check applicable category)*

☐ Nonprofit Corporation ☐ Individual ☐ City ☐ District

☐ Partnership ☐ Corporation ☐ County ☐ Other: _____

4. Certification:

In submitting this project application, the applicant understands that:

(A) The review will be made as to the community need for the proposed beds or equipment in this application;
(B) In determining community need, the Missouri Health Facilities Review Committee (Committee) will consider all similar beds or equipment within the service area;
(C) The issuance of a Certificate of Need (CON) by the Committee depends on conformance with its Rules and CON statute;
(D) A CON shall be subject to forfeiture for failure to incur an expenditure on any approved project six (6) months after the date of issuance, unless obligated or extended by the Committee for an additional six (6) months;
(E) Notification will be provided to the CON Program staff if and when the project is abandoned; and
(F) A CON, if issued, may not be transferred, relocated, or modified except with the consent of the Committee.

We certify the information and data in this application as accurate to the best of our knowledge and belief by our representative's signature below:

5. Authorized Contact Person *(attach a Contact Person Correction Form if different from the Letter of Intent)*

Name of Contact Person		Title
Telephone Number	**Fax Number**	**E-mail Address**
Signature of Contact Person		**Date of Signature**

MO 580-1861 (11/06)

Certificate of Need Program

REPRESENTATIVE REGISTRATION

*(A registration form must be completed for **each** project represented)*

Project Name	Number

(Please type or print legibly)

Name of Representative	Title

Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other)	Telephone Number

Address (Street/City/State/Zip Code)

Who's interests are being represented?
(If more than one, submit a separate Representative Registration Form for each.)

Name of Individual/Agency/Corporation/Organization being Represented	Telephone Number

Address (Street/City/State/Zip Code)

Check one. Do you:

- ☐ Support
- ☐ Oppose
- ☐ Neutral

Other information:

Relationship to Project:

- ☐ None
- ☐ Employee
- ☐ Legal Counsel
- ☐ Consultant
- ☐ Lobbyist
- ☐ Other *(explain)*:

I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: *Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.*

Original Signature	Date

MO 580-1869 (11-01)

to be added to rules

Certificate of Need Program

PROPOSED PROJECT BUDGET

Description	**Dollars** *(fill in every line even if the amount is "0")*
COSTS:*	
1. New Construction Costs ***	$_____
2. Renovation Costs ***	_____
3. Subtotal Construction Costs (#1 plus #2)	$_____
4. Architectural/Engineering Fees	$_____
5. Other Equipment (not in construction contract)	_____
6. Major Medical Equipment	_____
7. Land Acquisition Costs ***	_____
8. Consultants' Fees/Legal Fees ***	_____
9. Interest During Construction (net of interest earned) ***	_____
10. Other Costs ****	_____
11. Subtotal Non-Construction Costs (sum of #4 through #10)	$_____
12. Total Project Development Costs (#3 plus #11)	$_____
FINANCING:	
13. Unrestricted Funds	$_____
14. Bonds	_____
15. Loans	_____
16. Other Methods (specify)	$_____
17. Total Project Financing (sum of #13 through #16)	$_____
18. New Construction Total Square Footage	_____
19. New Construction Costs Per Square Foot *****	$_____
20. Renovated Space Total Square Footage	_____
21. Renovated Space Costs Per Square Foot ******	$_____

* *Attach additional page(s) to provide details of how each line item was determined, including all methods and assumptions used.*

** *These amounts should be the same.*

*** *Capitalizable items to be recognized as capital expenditures after project completion.*

**** *Include as Other Costs the following: other costs of financing; the value of existing lands, buildings and equipment not previously used for health care services, such as a renovated house converted to residential care, determined by original cost, fair market value, or appraised value; or the fair market value of any leased equipment or building, or the cost of beds to be purchased.*

***** *Divide new construction costs by total new construction square footage.*

****** *Divide renovation costs by total renovation square footage.*

MO 580-1863 (01-02)

Certificate of Need Program

SERVICE-SPECIFIC REVENUES AND EXPENSES

Historical Financial Data for Latest Three Years plus Projections Through Three Years Beyond Project Completion

(Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.)

	Year		
	_____	_____	_____
Amount of Utilization:*			
Revenue:			
Average Charge**			
Gross Revenue			
Revenue Deductions			
Operating Revenue			
Other Revenue			
TOTAL REVENUE			
Expenses:			
Direct Expense			
Salaries			
Fees			
Supplies			
Other			
TOTAL DIRECT			
Indirect Expense			
Depreciation			
Interest***			
Overhead****			
TOTAL INDIRECT			
TOTAL EXPENSE			
NET INCOME (LOSS):			

* Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

** Indicate how the average charge/procedure was calculated.

*** Only on long term debt, not construction.

**** Indicate how overhead was calculated.

MO 580-1865 (08/06)

to be added to rules

Certificate of Need Program

CONTACT PERSON CORRECTION

Date

Is the "Contact Person" information below correct? ☐ **Yes** ☐ **No** ***(correct below)***

Project Name	Project Number
Contact Person (Name/Association)	Title
Address *(Street/City/State/Zip Code)*	
Telephone Number	Fax Number	E-mail Address

INSTRUCTIONS TO THE APPLICANT:

- According to recent information in the Certificate of Need Records, the individual listed above is the "Contact Person " for this project who will be the primary representative responsible for all monitoring and reporting related to this project.
- If this information is correct, check "Yes" in the box above.
- If this information IS NOT correct, check "No" in the box above, and enter the correct information in the appropriate spaces provided below.
- **In either case, the applicant must sign at the bottom of this form to certify that this response is true and accurate as of the date posted above**.

Please type or print legibly corrected "Contact Person" information below:

Contact Person *(Name)*	Title
Address *(Street/City/State/Zip Code)*	
Telephone Number	Fax Number	E-mail Address
Applicant *(Print or Type Name)*	
Applicant *(Signature)*	Date

MO 580-1870 (08/06)

Certificate of Need Program

PERIODIC PROGRESS REPORT

Instructions for Completion (see attached blank forms)

Purpose: To gather uniform data regarding the progress and compliance of approved Certificate of Need (CON) projects in accordance with §197.300 to §197.366 RSMo; and to provide data to develop, implement and manage a database for project tracking, monitoring, notification and follow-up.

Used by: Missouri Health Facilities Review Committee, CON Program Staff, and Project Contact Person.

General: Periodic Progress Reports (PPRs) must provide all requested data and information in a complete, concise and legible manner. Each PPR must indicate if it is an Intermediate or Final Report. PPRs which are incomplete, illegible and/or contain mathematical discrepancies may be returned to the Contact Person for appropriate corrective action.

Project ID: Any changes in this information must be brought to the attention of the CON Program Staff immediately upon occurrence.

Add'l. Info.: *Additional information MUST be attached to **substantiate** answers to the individual questions. All final PPRs must include documentation which substantiates all claims and expenditures.*

Individual Questions:

1. **Have capital expenditures been incurred for the proposed construction and/or medical equipment?** A capital expenditure shall be deemed to have occurred if the applicant has at least one or more of the following:

   - **Construction expenditures** assignable to a capital asset in accordance with generally accepted accounting principles and which are not chargeble to pre-development or operating costs, which may be documented by a signed AIA construction contract with starting and ending dates; and above-ground construction;
   - **Purchase Orders (POs)** which are signed and which include the date of purchase, delivery, installation and operational date; or
   - **Acquisition** of medical equipment or property by lease, transfer, or purchase which has been authorized by the applicant and includes the date of the lease, the annual cost, cost and date of buy-out; purchase date, delivery installation and operational dates; and transfer date, current value, installation and operational date.

   If the answer to this question is "Yes," then attach copies of the appropriate signed construction contract (include pictures of construction activity), purchase order, or lease agreement (with original signatures).

   If capital expenditure or expenditure for medical equipment has not been incurred, provide a detailed explanation and include the steps being taken to correct the situation within the time constraints of §197.315.9 RSMo. Indicate the nature, costs and the date that a capital expenditure will be incurred.

2. **Are the expenditures for this reporting period/project-to-date included?**

   List all project expenditures, by category, incurred during the reported period and project-to-date on the **Project Budget/Expenditures** form.

3. **Are the projected final costs within the limits approved?** *(Self-explanatory)*

   Using current costs and expenditures, extrapolate final project costs to the project completion date. If total costs will exceed those approved by the Committee by more than 10%, specify and explain the area and category involved. Also, indicate the estimated filing date for your cost-overrun application.

4. **Are there any changes in the services or programs as approved in the application?** *(Explain any changes)*

5. **Has the project contact person changed?** If "Yes," enclose a new CON Contact Person Correction Form.

6. **What percentage of construction or installation is complete?**

   *(If the project expenditures and construction are both 100% complete, provide a **final** project budget and expenditure report.)*

to be added to rules

Certificate of Need Program

PERIODIC PROGRESS REPORT

Type of Progress Report:
- ☐ Intermediate
- ☐ Final

All applicants granted a Certificate of Need (CON) by the Missouri Health Facilities Review Committee are required to submit periodic progress reports until such time as the project is complete (§197.315 (8) RSMo). These reports **must** be filed with the CON Program staff after the end of **each six (6) month reporting period** following the issuance of a CON.

Name of Project	Report Period
Address	Project Number
	Date CON Issued
Project Description	Approved Cost

☐ Yes ☐ No **1. Have capital expenditures been incurred for the proposed construction and/or medical equipment?**

_____ Date construction started or equipment purchased (provide copy of AIA contract and/or purchase order).

☐ Yes ☐ No ***2. Are the expenditures for this reporting period/project-to-date included?**

_____ % of the total approved project amount that has been expended to date.

☐ Yes ☐ No **3. Are the projected final costs within the limits approved?**

If "No" and costs are above 10% of approved amount, then submit a cost over-run application.

$ _____ Estimated final project cost

☐ Yes ☐ No **4. ~~There any changes in the services or programs as approved in the application?~~**

If "Yes" explain in detail and provide replacement pages for the approved application.

☐ Yes ☐ No **5. Has the project contact person changed?**

If "Yes," enclose a new Contact Person Correction Form (MO 580-1870).

***6. Construction or installation is _____% complete.**

If Items 2 and 6 are both 100% complete, signify this as the ***Final Report* and submit documentation of final costs.*

Description of progress to date. Clearly explain expenditures, delays, changes in project progress, or lack of progress, of the approved project *(use additional pages as needed):*

Certificate of Need Program

PERIODIC PROGRESS REPORT

Project Budget/Expenditures	Report Period: _____ to _____		
Description	**Application**	**This Period**	**Project-to-date**
1. General Construction Costs			
2. Renovation Costs			
3. Subtotal Construction Costs			
4. Architectural/Engineering Fees			
5. Other Equipment (not in construction contract)			
6. Major Medical Equipment			
7. Land Acquisition Costs			
8. Consultants' Fees/Legal Fees			
9. Interest During Construction			
10. Other Costs			
11. Subtotal Non-construction Costs			
12. TOTAL Project Development Costs			
Square footage: New Construction			
Renovation			
Total Project			
Costs per square foot: New Construction			
Renovation			

Name of Contact Person	Title

Telephone Number	Fax Number	E-mail Address

MO 580-1871 (07/09)

Certificate of Need Program

INFORMATION REQUEST FORM

Name *(please type or print)*	Title
	Telephone Number
Organization	Fax Number
Address *(Street/City/State/Zip Code)*	E-mail address

I request the following and agree to pay charges as billed by the Certificate of Need Program:

Check Item Needed	Quantity	Cost/Item	Total
☐ Certificate of Need Rulebook	_____	$12.00	_____
☐ Hosp & NH ICF/SNF Occup. and Bed Need Summary by County	_____	$1.00	_____
☐ Six-Qtr Occupancy of Hosp & NH Lic. & Available ICF/SNF Beds	_____	$4.00	_____
☐ Six-Qtr Occupancy of ICF/SNF Licensed Beds	_____	$4.00	_____
☐ RCF/ALF Occupancy and Bed Need Summary By County	_____	$1.00	_____
☐ Six-Qtr Occupancy of RCF/ALF Licensed and Available Beds	_____	$4.00	_____
☐ Six-Qtr Occupancy of RCF/ALF Licensed Beds	_____	$4.00	_____
☐ Inventory of Hospital Beds in Missouri	_____	$3.00	_____
☐ Special Computer and File Searches *(1 hour minimum charge)*	_____	$25.00/hour*	_____
☐ Certificate of Need educational and performance handouts	_____	(no charge)	$0.00
☐ Copies of Other Materials *(Please specify in the blanks below)*	_____	10¢/page	_____
_____		**Subtotal = $**	_____
_____			
_____		Shipping and Handling Fee**	$3.00
_____			

* *Charge will be assessed **after** search and added to final bill.*

Total due: $_____***

** *If delivered by regular mail (**waived** if items picked up at CONP Office), or billed at actual cost if shipped by courier or other method of delivery.*

*** *A check made payable to "**Missouri Health Facilities Review Committee**" **must** accompany all out-of-state requests.*

Signature *(signature is required to process request)*	Date

Mail (with prepayment if required), e-mail or fax request form to:

Certificate of Need Program
P.O. Box 570
Jefferson City, MO 65102

Phone: 573-751-6403 Fax: 573-751-7894 E-mail: tom.piper@dhss.mo.com

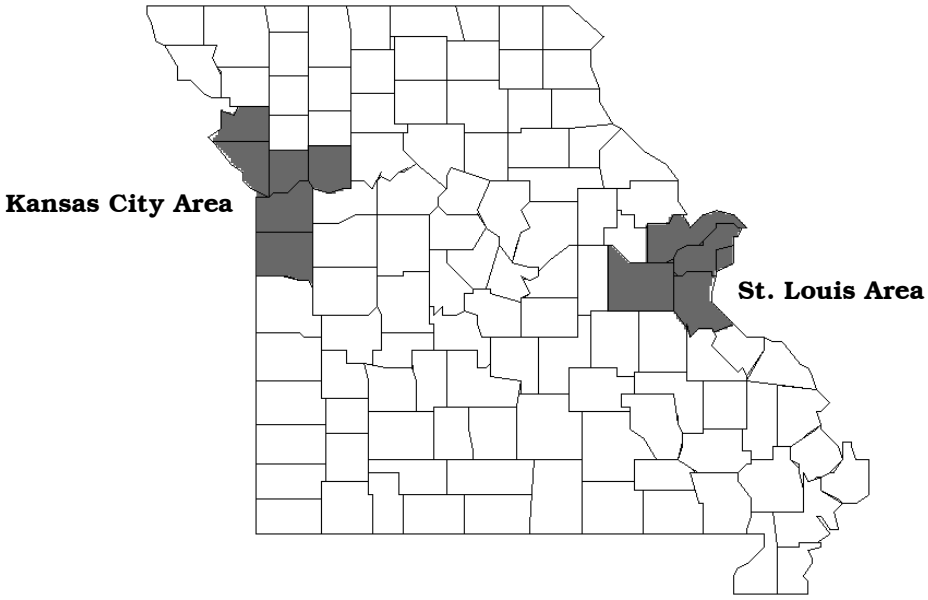
For electronic versions for some of the above, go to CON web site at: **www.dhss.mo.gov/con**

RS Means Cost Data

RS Means Cost Data Percentile Limits
Total New Construction Project Costs*

Source: 2009 RS Means Building Construction Cost Data

Type of Facility	Percentile	St. Louis	Kansas City	Outstate	National
HOSPITAL					
Cost Per Sq. Ft.	**3/4**	**$333.59**	**$321.62**	**$282.24**	**$315.00**
	Median	234.62	232.79	204.29	228.00
NURSING HOME					
Cost Per Sq. Ft.	**3/4**	**$179.05**	**$177.66**	**$155.91**	**$174.00**
	Median	146.12	144.99	127.24	142.00
RESIDENTIAL CARE/ASSISTED LIVING FACILITY					
Cost Per Sq. Ft.	**3/4**	**$166.70**	**$165.41**	**$145.16**	**$162.00**
	Median	140.98	139.88	122.76	137.00



* Renovation costs should not exceed 70% of total new construction project costs

prepared on behalf of the Missouri Health Facilities Review Committee
by the Certificate of Need Program
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If you desire a copy of this publication in an alternate form because of a disability,
contact the Missouri Department of Health and Senior Services, Division of Administration
P.O. Box 570, Jefferson City, MO 65102
Telephone: (573) 751-6014

Hearing-impaired citizens may contact the department by phone through Missouri Relay (800) 735-2966.
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